104TH CONGRESS 2D SESSION

H. R. 3588

To amend the Federal Election Campaign Act of 1971 to provide for expenditure limitations and public financing for House of Representatives general elections, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

June 5, 1996

Mr. OBEY (for himself, Mr. Dellums, and Ms. Slaughter) introduced the following bill; which was referred to the Committee on House Oversight, and in addition to the Committee on Ways and Means, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned

A BILL

To amend the Federal Election Campaign Act of 1971 to provide for expenditure limitations and public financing for House of Representatives general elections, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 SECTION 1. SHORT TITLE; FINDING.
- 4 (a) Short Title.—This Act may be cited as the
- 5 "Public Interest Campaign Reform Act of 1996".

| 1 | (b) FINDING.—Congress finds that without going to |
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| 2 | a system of public financing of elections, the public's con- |
| 3 | fidence in the basic process of democracy will be perma- |
| 4 | nently crippled, which will in turn fundamentally corrupt |
| 5 | the faith of the public in the entire political system. |
| 6 | TITLE I—EXPENDITURE LIMITA- |
| 7 | TIONS AND PUBLIC FINANC- |
| 8 | ING FOR HOUSE OF REP- |
| 9 | RESENTATIVES GENERAL |
| 10 | ELECTIONS |
| 11 | SEC. 101. NEW TITLE OF FEDERAL ELECTION CAMPAIGN |
| 12 | ACT OF 1971. |
| 13 | The Federal Election Campaign Act of 1971 (2 |
| 14 | U.S.C. 431 et seq.) is amended by adding at the end the |
| 15 | following new title: |
| 16 | "TITLE V—EXPENDITURE LIMI- |
| 17 | TATIONS AND PUBLIC FI- |
| 18 | NANCING FOR HOUSE OF |
| 19 | REPRESENTATIVES GENERAL |
| 20 | ELECTIONS |
| 21 | "SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF |
| 22 | REPRESENTATIVES GENERAL ELECTIONS. |
| 23 | "A candidate in a House of Representatives general |
| 24 | election may not make expenditures other than as pro- |
| 25 | vided in this title. |

| 1 | "SEC. 502. SOURCES OF AMOUNTS FOR EXPENDITURES BY |
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| 2 | CANDIDATES IN HOUSE OF REPRESENTA- |
| 3 | TIVES GENERAL ELECTIONS. |
| 4 | "The only sources of amounts for expenditures by |
| 5 | candidates in House of Representatives general elections |
| 6 | shall be— |
| 7 | "(1) the Grassroots Good Citizenship Fund, |
| 8 | under section 506; and |
| 9 | "(2) additional amounts from State and na- |
| 10 | tional party committees under section 507. |
| 11 | "SEC. 503. DISTRICT LIMITATION ON EXPENDITURES BY |
| 12 | MAJOR PARTY CANDIDATES. |
| 13 | "(a) In General.—Except as provided in section |
| 14 | 507, the maximum amounts of expenditures by major |
| 15 | party candidates in House of Representatives general elec- |
| 16 | tions shall be based on the median household income of |
| 17 | the districts involved, as provided for in subsections (b) |
| 18 | and (c). |
| 19 | "(b) MAXIMUM FOR WEALTHIEST DISTRICT.—In the |
| 20 | congressional district with the highest median household |
| 21 | income, maximum expenditures for all major party can- |
| 22 | didates with respect to a House of Representatives general |
| 23 | election shall be a total of \$1,000,000. |
| 24 | "(c) Maximum for Other Districts.—In each |
| 25 | congressional district, other than the district referred to |
| 26 | in subsection (b), the maximum expenditures for all major |

| 1 | party candidates with respect to a House of Representa- |
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| 2 | tives general election shall be an amount equal to— |
| 3 | "(1) the maximum amount referred to in sub- |
| 4 | section (b), less |
| 5 | "(2) the amount equal to— |
| 6 | $^{"}(A)$ $^{2}/_{3}$ of the percentage difference be- |
| 7 | tween the median household income of the dis- |
| 8 | trict involved and the median household income |
| 9 | of the district referred to in subsection (b), |
| 10 | times |
| 11 | "(B) the maximum amount referred to in |
| 12 | subsection (b). |
| 13 | "(d) Allocation.—The maximum expenditure for a |
| 14 | major party candidate in a congressional district shall |
| 15 | bear the same ratio to the maximum amount under sub- |
| 16 | section (b) or (c), as applicable, as the total popular vote |
| 17 | in the district in the five preceding general elections for |
| 18 | candidates of the party involved bears to the total popular |
| 19 | vote in the district for candidates of all major parties. |
| 20 | "SEC. 504. DISTRICT LIMITATION ON EXPENDITURES BY |
| 21 | THIRD PARTY CANDIDATES. |
| 22 | "(a) In General.—Except as provided in section |
| 23 | 507, the maximum amounts of expenditures by third party |
| 24 | candidates in House of Representatives general elections |

- 1 shall be based on the median household income of the dis-
- 2 tricts involved, as provided for in subsection (b).
- 3 "(b) Allocation.—The maximum expenditure for a
- 4 third party candidate in a congressional district shall be,
- 5 as designated by the candidate, one of the following:
- 6 "(1) The amount that bears the same ratio to
- 7 the maximum amount under subsection (b) or (c) of
- 8 section 503, as applicable, as the total popular vote
- 9 in the district for candidates of the third party bears
- to the total popular vote for all candidates in the
- 11 five preceding general elections.
- "(2) The amount that bears the same ratio to
- the maximum amount under subsection (b) or (c) of
- section 503, as applicable, as the total popular vote,
- in the State in which the election is held, for House
- of Representatives candidates of the third party
- bears to the total popular vote for all candidates in
- the State in the five preceding general elections.
- 19 "(3) The amount corresponding to the number
- of signatures presented to and verified by the Com-
- 21 mission according to the following table:

| "20,000 signatures | \$75,000 |
|--------------------|----------|
| 30,000 signatures | 100,000 |
| 40,000 signatures | 150,000 |
| 50,000 signatures | 200,000 |

6 1 "SEC. 505. DISTRICT LIMITATION ON EXPENDITURES BY 2 INDEPENDENT CANDIDATES. 3 "(a) In General.—The maximum expenditure for independent candidates in House of Representatives gen-4 5 eral elections shall be based on the median household income of the districts involved, as provided for in subsection 6 7 (b). 8 "(b) Allocation.—The maximum expenditure for 9 an independent candidate in a congressional district shall 10 be, as designated by the candidate, one of the following: 11 "(1) The amount that bears the same ratio to 12 the maximum amount under subsection (b) or (c) of 13 section 503, as applicable, as the total popular vote 14 in the district for all independent candidates bears 15 to the total popular vote for all candidates in the 16 district in the five preceding general elections. "(2) The amount that bears the same ratio to 17 18 the maximum amount under subsection (b) or (c) of 19 section 503, as applicable, as the total popular vote, 20 in the State in which the election is held, for inde-21 pendent House of Representatives candidates bears 22 to the total popular vote for all candidates in the 23 State in the five preceding general elections. 24 "SEC. 506. GRASSROOTS GOOD CITIZENSHIP FUND. "(a) Creation of Fund.—There is established in 25

the Treasury a trust fund to be known as the 'Grassroots

- 1 Good Citizenship Fund', consisting of such amounts as
- 2 may be credited to such fund as provided in this section.
- 3 "(b) DISTRICT ACCOUNTS.—There shall be estab-
- 4 lished within the Grassroots Good Citizenship Fund an ac-
- 5 count for each congressional district. The accounts so es-
- 6 tablished shall be administered by the Commission for the
- 7 purpose of distributing amounts under this title.
- 8 "(c) Payments to Candidates.—Subject to sub-
- 9 section (d), the Commission shall pay to each candidate
- 10 from the Grassroots Good Citizenship Fund the maximum
- 11 amount calculated for such candidate under section 503,
- 12 504, or 505.
- 13 "(d) Insufficient Amounts.—If, as determined by
- 14 the Commission, there are insufficient amounts in the
- 15 Grassroots Good Citizenship Fund for payments under
- 16 subsection (c), the Commission may reduce payments to
- 17 candidates so that each candidate receives a pro rata por-
- 18 tion of the amounts that are available.
- 19 "(e) Transfers to Fund.—There are hereby cred-
- 20 ited to the Grassroots Good Citizenship Fund amounts
- 21 equivalent to the amounts designated under sections 6097
- 22 and 6098 of the Internal Revenue Code of 1986.
- 23 "(f) Expenditures.—Amounts in the Grassroots
- 24 Good Citizenship Fund shall be available for the purpose
- 25 of providing amounts for expenditure by candidates in

- 1 House of Representatives general elections in accordance
- 2 with this title.
- 3 "SEC. 507. ADDITIONAL AMOUNTS FROM STATE AND NA-
- 4 TIONAL PARTY COMMITTEES.
- 5 "(a) Contributions.—In addition to amounts made
- 6 available under section 503 or 504, in the case of a can-
- 7 didate in a House of Representatives general election who
- 8 is the candidate of a political party, the State and national
- 9 committees of that political party may make contributions
- 10 to the candidate totaling not more than 5 percent of the
- 11 maximum expenditure applicable to the candidate under
- 12 section 503 or section 504.
- 13 "(b) Expenditures.—A House of Representatives
- 14 candidate who is the candidate of a political party may
- 15 make expenditures of the amounts received under sub-
- 16 section (a).
- 17 "SEC. 508. PUBLIC SERVICE ANNOUNCEMENTS.
- 18 "(a) IN GENERAL.—Beginning on January 15, and
- 19 continuing through April 15 of each year, the Commission
- 20 shall carry out a program, utilizing broadcast announce-
- 21 ments and other appropriate means, to inform the public
- 22 of the existence and purpose of the Grassroots Good Citi-
- 23 zenship Fund and the role that individual citizens can play
- 24 in the election process by voluntarily contributing to the
- 25 fund. The announcements shall be broadcast during prime

- 1 time viewing hours in 30-second advertising segments
- 2 equivalent to 200 gross rating points per network per
- 3 week. The Commission shall ensure that the maximum
- 4 number of taxpayers shall be exposed to these announce-
- 5 ments. Television networks, as defined by the Federal
- 6 Communications Commission, shall provide the broadcast
- 7 time under this section as part of their obligations in the
- 8 public interest under the Communications Act of 1934.
- 9 The Federal Election Commission shall encourage broad-
- 10 cast outlets other than the above mentioned television net-
- 11 works including radio to provide similar announcements.
- 12 "(b) Gross Rating Point.—The term 'gross rating
- 13 point' is a measure of the total gross weight delivered. It
- 14 is the sum of the ratings for individual programs. Since
- 15 a household rating period is 1 percent of the coverage
- 16 base, 200 gross rating points means 2 messages a week
- 17 per average household.
- 18 "SEC. 509. DEFINITIONS.
- "As used in this title—
- 20 "(1) the term 'House of Representatives can-
- 21 didate' means a candidate for the office of Rep-
- resentative in, or Delegate or Resident Commis-
- sioner to, the Congress;
- 24 "(2) the term 'median household income'
- 25 means, with respect to a congressional district, the

- 1 median household income of that district, as deter-2 mined by the Commission, using the most current 3 data from the Bureau of the Census:
 - "(3) the term 'major party' means, with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 25 percent or more of the total number of popular votes received by all candidates for such office;
 - "(4) the term 'third party' means with respect to a House of Representatives general election, a political party whose candidate for the office of Representative in, or Delegate or Resident Commissioner to, the Congress in the preceding general election received, as the candidate of such party, 5 percent or more but less than 25 percent of the total number of popular votes received by all candidates for such office;
 - "(5) the term 'independent candidate' means, with respect to a House of Representatives general election, a candidate for the office of Representative in, or Delegate or Resident Commissioner to, the

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| 1 | Congress who is not the candidate of a major party |
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| 2 | or a third party; and |
| 3 | "(6) the term 'House of Representatives gen- |
| 4 | eral election' means a general election for the office |
| 5 | of Representative in, or Delegate or Resident Com- |
| 6 | missioner to, the Congress.". |
| 7 | SEC. 102. EFFECT OF INVALIDITY OF MANDATORY EXPENDE |
| 8 | ITURE LIMITATIONS. |
| 9 | If any mandatory limitation on expenditures con- |
| 10 | tained in title V of the Federal Election Campaign Act |
| 11 | of 1971, as enacted by section 101, is held invalid— |
| 12 | (1) any House of Representatives candidate, as |
| 13 | defined in section 509 of the Federal Election Cam- |
| 14 | paign Act of 1971, who, in a general election volun- |
| 15 | tarily complies with such limitations shall receive |
| 16 | amounts for expenditures in the same manner and |
| 17 | to the same extent as provided for in that title; and |
| 18 | (2) any House of Representatives candidate, as |
| 19 | defined in section 509 of the Federal Election Cam- |
| 20 | paign Act of 1971, who, in a general election does |
| 21 | not voluntarily comply with such limitations shall be |
| 22 | subject to the limitation on contributions from large |
| 23 | donor multicandidate political committees under sec- |
| 24 | tion 315(l) of the Federal Election Campaign Act of |

| 1 | 1971 in the same manner and to the same extent as |
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| 2 | if that section were applicable to general elections. |
| 3 | TITLE II—AMENDMENTS TO IN- |
| 4 | TERNAL REVENUE CODE OF |
| 5 | 1986 |
| 6 | SEC. 201. DESIGNATION OF OVERPAYMENTS AND CON- |
| 7 | TRIBUTIONS FOR GRASSROOTS GOOD CITI- |
| 8 | ZENSHIP FUND. |
| 9 | (a) In General.—Subchapter A of chapter 61 of the |
| 10 | Internal Revenue Code of 1986 (relating to returns and |
| 11 | records) is amended by adding at the end the following: |
| 12 | "PART IX—DESIGNATION OF OVERPAYMENTS |
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| 13 | AND CONTRIBUTIONS FOR GRASSROOTS |
| 13 14 | AND CONTRIBUTIONS FOR GRASSROOTS GOOD CITIZENSHIP FUND |
| | |
| | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good |
| 14 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. |
| 1415 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS- |
| 141516 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS-ROOTS GOOD CITIZENSHIP FUND. |
| 14 15 16 17 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS-ROOTS GOOD CITIZENSHIP FUND. "(a) IN GENERAL.—With respect to each taxpayer's |
| 14 15 16 17 18 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS-ROOTS GOOD CITIZENSHIP FUND. "(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter |
| 14 15 16 17 18 19 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS-ROOTS GOOD CITIZENSHIP FUND. "(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that— |
| 14 15 16 17 18 19 20 | GOOD CITIZENSHIP FUND "Sec. 6097. Designation of overpayments for Grassroots Good Citizenship Fund. "SEC. 6097. DESIGNATION OF OVERPAYMENTS FOR GRASS-ROOTS GOOD CITIZENSHIP FUND. "(a) IN GENERAL.—With respect to each taxpayer's return for the taxable year of the tax imposed by chapter 1, such taxpayer may designate that— "(1) a specified portion (not less than \$1 or |

- 1 "(2) any contribution which the taxpayer in-
- 2 cludes with such return,
- 3 shall be paid over to the Grassroots Good Citizenship
- 4 Fund under section 506 of the Federal Election Campaign
- 5 Act of 1971.
- 6 "(b) Manner and Time of Designation.—A des-
- 7 ignation under subsection (a) may be made with respect
- 8 to any taxable year only at the time of filing the return
- 9 of tax imposed by chapter 1 for such taxable year. Such
- 10 designation shall be made on the 1st page of the return.
- 11 "(c) Overpayments Treated as Refunded.—For
- 12 purposes of this title, any portion of an overpayment of
- 13 tax designated under subsection (a) shall be treated as
- 14 being refunded to the taxpayer as of the last date pre-
- 15 scribed for filing the return of tax imposed by chapter 1
- 16 (determined without regard to extensions) or, if later, the
- 17 date the return is filed."
- 18 (b) Clerical Amendment.—The table of parts for
- 19 such subchapter A is amended by adding at the end there-
- 20 of the following new item:

"Part IX. Designation of overpayments and contributions for certain purposes relating to House of Representatives elections."

- (c) Effective Date.—The amendments made by
- 22 this section shall apply to taxable years beginning after
- 23 December 31, 1996.

| 1 | SEC. 202. DESIGNATION OF OVERPAYMENTS AND CON- |
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| 2 | TRIBUTIONS FOR DISTRIBUTION TO HOUSE |
| 3 | OF REPRESENTATIVES CANDIDATES. |
| 4 | (a) In General.—Part IX of subchapter A of chap- |
| 5 | ter 61 of the Internal Revenue Code of 1986 (relating to |
| 6 | returns and records), as added by section 201, is amended |
| 7 | by adding at the end the following: |
| 8 | "SEC. 6098. DESIGNATION OF OVERPAYMENTS FOR DIS- |
| 9 | TRIBUTION TO HOUSE OF REPRESENTATIVES |
| 10 | CANDIDATES. |
| 11 | "(a) In General.—With respect to each taxpayer's |
| 12 | return for the taxable year of the tax imposed by chapter |
| 13 | 1, such taxpayer may designate that— |
| 14 | "(1) a specified portion (not less than \$1 or |
| 15 | more than \$1,000, and not less than \$1 or more |
| 16 | than \$2,000 in the case of a joint return) of any |
| 17 | overpayment of tax for such taxable year, and |
| 18 | "(2) any contribution which the taxpayer in- |
| 19 | cludes with such return, |
| 20 | shall be paid to State or national committees of political |
| 21 | parties, as designated by the taxpayer, to be used exclu- |
| 22 | sively for contributions to House of Representatives can- |
| 23 | didates under section 507 of the Federal Election Cam- |
| 24 | paign Act of 1971. |
| 25 | "(b) Manner and Time of Designation.—A des- |
| 26 | ignation under subsection (a) may be made with respect |

- 1 to any taxable year only at the time of filing the return
- 2 of tax imposed by chapter 1 for such taxable year. Such
- 3 designation shall be made on the 1st page of the return.
- 4 "(c) Overpayments Treated as Refunded.—For
- 5 purposes of this title, any portion of an overpayment of
- 6 tax designated under subsection (a) shall be treated as
- 7 being refunded to the taxpayer as of the last date pre-
- 8 scribed for filing the return of tax imposed by chapter 1
- 9 (determined without regard to extensions) or, if later, the
- 10 date the return is filed."
- 11 (b) CLERICAL AMENDMENT.—The table of sections
- 12 for such subchapter A is amended by inserting after the
- 13 item relating to section 6097 the following new item:

"Sec. 6098. Designation of overpayments for distribution to House of Representatives candidates."

- (c) Effective Date.—The amendments made by
- 15 this section shall apply to taxable years beginning after
- 16 December 31, 1996.
- 17 SEC. 203. INCREASE IN CORPORATE INCOME TAX ON TAX-
- 18 ABLE INCOME ABOVE \$10,000,000.
- (a) In General.—Paragraph (4) of subsection (b)
- 20 of section 11 of the Internal Revenue Code of 1986 is
- 21 amended by striking "35 percent" and inserting "35.1
- 22 percent".

- 1 (b) Effective Date.—The amendment made by
- 2 subsection (a) shall apply to taxable years beginning after
- 3 the date of the enactment of this Act.
- 4 (c) Use of Amounts Received.—Amounts received
- 5 by reason of the amendment made by subsection (a) shall
- 6 be paid over to the Grassroots Good Citizenship Fund
- 7 under section 506 of the Federal Election Campaign Act
- 8 of 1971.

9 TITLE III—BAN ON USE OF SOFT

10 MONEY BY HOUSE CANDIDATES

- 11 SEC. 301. BAN ON USE OF SOFT MONEY BY HOUSE CAN-
- 12 DIDATES.
- 13 Title III of the Federal Election Campaign Act of
- 14 1971 (2 U.S.C. 431 et seq.) is amended by adding at the
- 15 end the following new section:
- 16 "BAN ON USE OF NON-REGULATED FUNDS BY HOUSE
- 17 CANDIDATES
- "Sec. 323. (a) In General.—No funds may be con-
- 19 tributed or expended with respect to any House of Rep-
- 20 resentatives election unless the funds are subject to the
- 21 limitations and prohibitions of this Act.
- 22 "(b) House of Representatives Election De-
- 23 FINED.—In this section, the term 'House of Representa-
- 24 tives election' means any election for the office of Rep-
- 25 resentative in, or Delegate or Resident Commissioner to,
- 26 the Congress.".

TITLE IV—INDEPENDENT 1 **EXPENDITURES** 2 3 SEC. 401. BAN ON INDEPENDENT EXPENDITURES IN HOUSE 4 OF REPRESENTATIVES ELECTIONS. 5 Section 315 of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a) is amended by adding at the end the following new subsection; 7 8 "(i) No person may make any independent expenditure with respect to an election for the office of Represent-10 ative in, or Delegate or Resident Commissioner to, the Congress.". 11 12 SEC. 402. CLARIFICATION OF DEFINITIONS RELATING TO 13 INDEPENDENT EXPENDITURES. 14 (a) INDEPENDENT EXPENDITURE DEFINITION Amendment.—Section 301 of the Federal Election Campaign Act of 1971 (2 U.S.C. 431) is amended by striking 16 out paragraphs (17) and (18) and inserting the following 18 new paragraphs: 19 "(17)(A) The term 'independent expenditure' means an expenditure for an advertisement or other communica-20 21 tion that— 22 "(i) contains express advocacy; and 23 "(ii) is made without the participation or co-24 operation of, or consultation with, a candidate or a 25 candidate's representative.

- 1 "(B) The following shall not be considered an inde-2 pendent expenditure:
- 3 "(i) An expenditure made by an authorized 4 committee of a candidate for Federal office or a po-5 litical committee of a political party.
 - "(ii) An expenditure made by a person who, during the election cycle, has made a contribution to a candidate, where the expenditure is in support of that candidate or in opposition to another candidate for the same office.
 - "(iii) An expenditure made by a person, or a political committee established, maintained or controlled by such person, who is required to register, under section 308 of the Federal Regulation of Lobbying Act (2 U.S.C. 267) or the Foreign Agents Registration Act (22 U.S.C. 611) or any successor Federal law requiring a person who is a lobbyist or foreign agent to register.
 - "(iv) An expenditure made by a person who, during the election cycle, has communicated with or received information from a candidate or a representative of that candidate regarding activities that have the purpose of influencing that candidate's election to Federal office, where the expenditure is

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1 in support of that candidate or in opposition to an-2 other candidate for that office. "(v) An expenditure if, in the same election 3 cycle, the person making the expenditure is or has been— 5 6 "(I) authorized to raise or expend funds on 7 behalf of the candidate or the candidate's authorized committees; or 8 "(II) serving as a member, employee, or 9 10 agent of the candidate's authorized committees 11 in an executive or policymaking position. 12 "(18) The term 'express advocacy' means, when a communication is taken as a whole and with limited ref-13 14 erence to external events, an expression of support for or 15 opposition to a specific candidate, to a specific group of candidates, or to candidates of a particular political party, 16 17 or a suggestion to take action with respect to an election, 18 such as to vote for or against, make contributions to, or participate in campaign activity.". 19 20 (b) Contribution Definition Amendment.—Sec-21 tion 301(8)(A) of the Federal Election Campaign Act of 22 1971 (2 U.S.C. 431(8)(A)) is amended— (1) in clause (i), by striking "or" after the 23 24 semicolon at the end;

| 1 | (2) in clause (ii), by striking the period at the |
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| 2 | end and inserting "; or"; and |
| 3 | (3) by adding at the end the following new |
| 4 | clause: |
| 5 | "(iii) any payment or other transaction referred |
| 6 | to in paragraph (17)(A)(i) that does not qualify as |
| 7 | an independent expenditure under paragraph |
| 8 | (17)(A)(ii).". |
| 9 | SEC. 403. SPECIFIC DISCLOSURE REQUIREMENTS FOR CER- |
| 10 | TAIN COMMUNICATIONS. |
| 11 | Section 318 of the Federal Election Campaign Act |
| 12 | of 1971 (2 U.S.C. 441d) is amended by adding at the end |
| 13 | the following new subsections: |
| 14 | "(c) A communication described in subsection (a)(1) |
| 15 | or subsection (a)(2) that is broadcast over a television sta- |
| 16 | tion shall include a photographic or similar image of the |
| 17 | candidate. The image shall be— |
| 18 | "(1) readily identifiable as that of the can- |
| 19 | didate; |
| 20 | "(2) accompanied by the following statement: |
| 21 | 'Paid for by . |
| 22 | takes full responsibility for the content of this adver- |
| 23 | tisement.', with the blanks to be filled in with the |
| 24 | name of the political committee or other person pay- |

1 ing for the communication, and the name of the can-2 didate, respectively; 3 "(3) shown for a period of at least 4 seconds; 4 and "(4) of sufficient size to cover at least one-third 5 6 of the television screen. "(d) A statement described in subsection (a)(3) that 7 8 is broadcast over a television station shall be— 9 "(1) in the following form: 'Paid for by 10 . Not authorized by any can-11 didate.', with the blank to be filled in with the name 12 of the person paying for the communication and the 13 name of any connected organization of that person 14 and the city and State in which such individual lives 15 and the city and State in which the organization is 16 located; 17 "(2) shown continuously throughout the com-18 munication; and "(3) of sufficient size to be clearly visible to the 19 20 viewer. "(e) Any statement described in subsection (a) that 21 is contained in a newspaper, magazine, direct mailing, or other printed communication shall—

| 1 | "(1) afford a reasonable degree of color con- |
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| 2 | trast between the statement and the background of |
| 3 | the communication; and |
| 4 | "(2) be printed in a minimum uniform char- |
| 5 | acter height of 0.20 inch. |
| 6 | "(f) A communication described in subsection (a)(1) |
| 7 | or subsection (a)(2) that is broadcast over a radio station |
| 8 | shall include the following statement: 'Paid for by |
| 9 | . takes full respon- |
| 10 | sibility for the content of this advertisement.', with the |
| 11 | blanks to be filled in with the name of the political com- |
| 12 | mittee or other person paying for the communication, and |
| 13 | the name of the candidate, respectively. |
| 14 | "(g) A statement described in subsection (a)(3) that |
| 15 | is broadcast over a radio station shall be in the following |
| 16 | form: 'Paid for by . Not authorized by |
| 17 | any candidate.', with the blank to be filled in with the |
| 18 | name of the person paying for the communication and the |
| 19 | name of any connected organization of that person and |
| 20 | the city and State in which the individual resides and the |
| 21 | city and State in which the organization is located.". |

| 1 | TITLE V—PROVISIONS RELAT- |
|----|--|
| 2 | ING TO HOUSE OF REP- |
| 3 | RESENTATIVES PRIMARY |
| 4 | ELECTIONS |
| 5 | SEC. 501. LIMITATION ON EXPENDITURES IN HOUSE OF |
| 6 | REPRESENTATIVES ELECTIONS OTHER THAN |
| 7 | GENERAL ELECTIONS. |
| 8 | Section 315 of the Federal Election Campaign Act |
| 9 | of 1971 (2 U.S.C. 441a), as amended by section 401, is |
| 10 | further amended by adding at the end the following new |
| 11 | subsection: |
| 12 | "(j) The maximum expenditures for a candidate for |
| 13 | the office of Representative in, or Delegate or Resident |
| 14 | Commissioner to, the Congress in any election other than |
| 15 | a general election may not exceed $\frac{1}{3}$ of the maximum ap- |
| 16 | plicable to the candidate in a general election under title |
| 17 | V.". |
| 18 | SEC. 502. LIMITATIONS APPLICABLE TO SMALL DONOR |
| 19 | MULTICANDIDATE POLITICAL COMMITTEES. |
| 20 | (a) In General.—Section 315(a) of the Federal |
| 21 | Election Campaign Act of 1971 (2 U.S.C. 441a(a)) is |
| 22 | amended by adding at the end the following new para- |
| 23 | graph: |
| 24 | "(9) A small donor multicandidate political commit- |
| 25 | tee may make contributions to any candidate for the office |

- 1 of Representative in, or Delegate or Resident Commis-
- 2 sioner to, the Congress and the authorized committees of
- 3 such candidate with respect to an election (other than a
- 4 general election) which, in the aggregate, do not exceed
- 5 \$5,000.".
- 6 (b) Definitions.—Section 301 of the Federal Elec-
- 7 tion Campaign Act of 1971 (2 U.S.C. 431) is amended
- 8 by adding at the end the following new paragraphs:
- 9 "(21) The term 'small donor multicandidate political
- 10 committee' means a multicandidate political committee
- 11 that does not accept contributions totaling more than
- 12 \$200 from any single source in a calendar year.
- 13 "(22) The term 'large donor multicandidate political
- 14 committee' means a multicandidate political committee
- 15 that accepts contributions totaling more than \$200 from
- 16 any single source in a calendar year.".
- 17 SEC. 503. LIMITATION ON ACCEPTANCE OF LARGE DONOR
- 18 MULTICANDIDATE POLITICAL COMMITTEE
- 19 CONTRIBUTIONS BY HOUSE OF REPRESENTA-
- 20 TIVES CANDIDATES.
- 21 Section 315 of the Federal Election Campaign Act
- 22 of 1971 (2 U.S.C. 441a), as amended by sections 401 and
- 23 501, is further amended by adding at the end the following
- 24 new subsection:

- 1 "(k) A candidate for the office of Representative in,
- 2 or Delegate or Resident Commissioner to, the Congress,
- 3 and the authorized political committees of such candidate,
- 4 may not, with respect to an election other than a general
- 5 election, accept contributions from large donor multican-
- 6 didate political committees in excess of 20 percent of the
- 7 total accepted from all multicandidate political commit-

8 tees.".

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